
SALT LAKE CITY COUNCIL MAYOR'S RECOMMENDED BUDGET FISCAL YEAR 2005-06

DATE: June 7, 2005

SUBJECT: **Unresolved issues - Mayor's Recommended Budget FY 05-06**

STAFF REPORT BY: Gary Mumford

cc: Sam Guevara, Rocky Fluhart, Ed Rutan, Rick Graham, LeRoy Hooton, Chief Rick Dinse, Louis Zunguze, Chief Chuck Querry, Steve Fawcett, Laurie Donnell, Kay Christensen, Susi Kontgis, DJ Baxter

The Council received the Mayor's Recommended Budget on May 3, 2005 and held budget briefings with each of the City's departments. The Council may wish to discuss the following unresolved issues.

Unresolved budget issues:

1. **Property tax revenue – Judgment Levy** – The property tax numbers are not yet available from the County but should be available in a few days. Salt Lake City will receive the same amount of property taxes as budgeted in fiscal year 2004-05 plus new growth. The taxes received will be reduced by court judgments or relief granted by the State Tax Commission unless the Council adopts a judgment levy. The Administration's budget assumes that the Council will adopt a judgment levy.

A judgment levy is an additional property tax rate imposed to offset a shortfall stemming from a Tax Commission or court decision that reduces a tax entity's tax base (total assessed value). The failure to adopt a judgment levy impacts only one year rather than each year in the future as was the case before the Legislature made changes a couple of years ago. A judgment levy requires a truth in taxation hearing. *The Council may wish to defer discussion of a possible judgment levy until the property tax numbers are available including the dollar amount that could be recovered through a judgment levy.*

2. **Ongoing CIP Funding** – In 1999, the Council adopted policies regarding the City's capital improvement program (resolution no. 19 of 1999). Policy statement #4 is: "The Council intends that no less than nine percent of ongoing General Fund revenues be invested annually in the Capital Improvement Fund." Funding was at 9% from fiscal year 2000-01 thru fiscal year 2003-04. In fiscal year 2004-05 funding was reduced to 7%. The Mayor's Recommended Budget for fiscal year 2005-06 proposes funding CIP with 6.55% of general fund revenue. The cost to increase funding to the 7% level is \$733,000. The cost for each additional 1/2 % is \$820,000. The Council made a preliminary decision to allocate \$733,000 from one-time CIP fund balance to bring the total appropriation to 7% of general fund revenue. Does the Council wish to make budget cuts to restore ongoing funding to 7%?

3. **Traffic Calming** – The proposed budget does not include any funding for traffic calming. In the past, the Council has discussed allocating a certain amount of CIP funds for the non-construction traffic calming solutions such as radar-activated speed limit signs, slow signs, education, etc. The Council may wish to receive a report from the Council Traffic Management Subcommittee (see attached). There is \$100,000 currently being reserved for a Transportation Plan update. The memo lists recommendations associated with this funding.
4. **Fleet facility** – The Council received a preliminary briefing on a proposed site for a future fleet facility and will receive additional information within a few months. *Does the Council wish the Administration to obtain an option to purchase the land?*
5. **YouthCity busses** – The proposed budget includes the purchase of four busses for the YouthCity Program at a cost of \$200,000. Some Council Members are concerned about the lack of full funding for fleet replacement. *By straw poll, the Council may wish to determine whether to purchase the busses or allow the funds to be allocated for other fleet replacement in order to reduce vehicle maintenance costs.*
6. **Utah League of Cities & Towns** – The Mayor proposed eliminating funding for membership in the Utah League of Cities & Towns. Full funding will be \$100,913. *The Council may wish to discuss the funding of this membership.*
7. **Economic Development Corporation of Utah** – In 1997, the Economic Development Corporation determined municipal assessments based on 50% population and 50% certain revenues (sales tax, franchise & utility tax, licenses & permits, and other fees). Salt Lake City's contribution was calculated to be \$126,659. This amount remained unchanged until 2000 when all assessments increased 5%. Salt Lake City's contribution based on this formula is \$132,992. Last year, the City lowered the payment to \$107,992. The Mayor recommends discontinuing this membership. *By straw poll, the Council may wish to decide whether to fund this membership and if so at what level.*
8. **Arts Council Grants Program** – Some Council Members are interested in increasing City funding for the Arts Council's grants program. Some Council Members have mentioned \$20,000 or \$30,000. Council Member Christensen has proposed that the funding be 5% of each year's funds that would have dropped to fund balance with a maximum funding of \$100,000.
9. **Parking meter rate increase** – Parking meter rates are proposed to increase from 75 cents per hour to \$1 per hour, which is projected to increase revenue by \$300,000. The budget includes a one-time expense of \$20,000 to reprogram the parking meters. The previous policy of free holiday parking will be carried forward in this budget. Council Member Jergensen said that this increase will make it more difficult to eventually provide free downtown street parking. *The Council may wish to discuss whether it is interested in eliminating downtown parking fees over the long term, and to determine whether the Council supports the fee increase.*

10. **Planning fee increase** – The Mayor recommends increasing the current planning fees by \$70,000. *By straw poll, the Council may wish to determine whether a majority support the new planning fee schedule?*
11. **Cemetery fee increase** – Cemetery fees are proposed to generate an additional \$82,000 of revenue to help offset the costs of maintenance of the cemetery. *By straw poll, the Council may wish to determine whether a majority support the new cemetery schedule?*
12. **Potential Budget Reduction Options** – The attached list includes some potential budget reductions that the Council may wish to discuss.

Potential Budget Reduction Options

	Potential Savings	Council Tentative Decision
Majority of Council Members concur per straw poll		
1	Nondepartmental - Citywide newsletter	\$ 60,000 \$ 60,000
Corrections or minor adjustments per briefings		
2	Management Services - Correction in posting IFAS accountant	74,412 74,412
3	Management Services - Correct reimbursement of portion of special assessment position	31,172 31,172
4	Salt Lake Council of Governments - Correction on dues amount (from \$884 to \$136)	748 748
5	East Valley Chamber of Commerce - Not functioning	2,000 2,000
6	Tuition aid program - Decrease funding to actual usage	10,000 10,000
Proposed new employee positions		
7	Prosecutor's Office - Fund one of two proposed prosecutor positions	60,000
8	Prosecutor's Office - Fund one of two support positions (file clerk \$38,700; office tech \$40,000)	40,000
9	Police - Fund one of two information specialists positions	39,000
10	Police - Fund one of two records support positions	36,500
11	Police - Career incentive program for sergeants, lieutenants, captains	55,620
12	Mayor's Office - Economic development assistant position	55,000
13	Community Development - New planner position	60,504
14	Police - Crime lab field position	46,000
15	Mayor's Office - Staff assistant position	50,665
16	Mayor's Office - Economic development assistant position	55,000
Other		
17a	Judges (Option A) - Don't fund additional increase (current \$85,600; proposed @ 85% \$94,400)	48,384
17b	(Option B) - Fund 5% increase in addition to regular salary adjustment (\$91,500)	23,000
17c	(Option C) - Fund 5% including regular salary adjustment (\$89,900)	28,000
18	Council Office - Reduce auditing	25,000
19	Council Office - Reduce travel	3,000
20	Youth & Family Specialist vacant position (1 of 3 FTEs)	52,480
21	Community Mobilization Specialist vacant position (1 of 3 FTEs)	57,450
22	Consolidate construction & community relations for the downtown and 900 E 900 S	60,000
23	Aviary funding - Return to previous funding of \$200,000 (\$50,000 added in FY04)	50,000
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35		\$ 1,023,935 \$ -

MEMORANDUM

To: Salt Lake City Council Members

From: Council Traffic Management Subcommittee
Council Members Jill Love, Eric Jergensen, and Dave Buhler

Date: June 7, 2005

Subject: Traffic Management Program Recommendations for the
City Council's discussion

Recognizing the concerns of many in our City regarding traffic speed and volume, the City Council Traffic Management Subcommittee has met on different occasions over the past several months to discuss and identify viable and potential options to address these Issues as part of the City's Traffic Management Program.

Previously as part of the fiscal year 2004-05 budget, the City Council appropriated \$100,000 one-time money for the purpose of updating the Transportation Master Plan. According to the Transportation Division, the plan could use some minor updating, but in their opinion, the plan currently includes city-wide traffic calming components.

Currently, the City is handling traffic speed concerns/requests by placing a speed board, followed up with traffic enforcement (if speed board numbers warrant enforcement), and/or the Transportation Division has evaluated areas to determine if stop signs are warranted. According to the Transportation Division, the non-infrastructure type traffic management tools, such as Neighborhood Speed Watch Program, Neighborhood Pace Car Program, Driver Safety Lawn Signs, garbage can driver safety signs, and street light banners are available but are under-utilized by residents as a traffic management tool.

Districts Three, Five and Six receive numerous complaints from residents about traffic speed and we know that other Council Districts also receive complaints. The Council Traffic Management Subcommittee wishes to advance this discussion with Council Members based upon a summary of the Subcommittee's conclusions from past meetings.

After carefully weighing the pros and cons of the City's previous 'Traffic Calming' program and its current approach, the City Council Traffic Management Subcommittee recommends that the Traffic Management Program be adjusted and refined to better recognize the balance between budgetary constraints and community satisfaction:

A. Budget: According to the Transportation Division, if the City were to complete four traffic management infrastructure projects each year ranging from approximately \$40,000 to \$75,000 each, it would take the City twenty-five years to address nearly 100

applications received as of this date, assuming the City commits roughly \$250,000 per year.

B. Community Satisfaction: While the City has many requests for traffic calming devices, the City also receives many complaints once the devices are installed. A significant amount of staff resources are used on the program before, during and even after devices are put in place.

The Subcommittee, believes, as a policy, it is important for the vitality and continuity of the City's neighborhoods and commercial areas that traffic volume and speed on the City's streets be maintained within the use and design parameters of those streets as identified in the Transportation Management Plan.

One policy question needing to be addressed is whether it is feasible to allow neighborhoods to pay for the cost of traffic management design, materials, and implementation themselves. If residents are given this option, it will require considerable City staff resources to help residents complete the project to ensure that City design and engineering standards are met.

The Subcommittee discussed the option of having traffic management requests compete for funding through the Capital Improvement Program (CIP). The subcommittee discussed the idea of having a traffic management request come through the CIP process first for design and testing; and if proven viable, another CIP request could be made for materials and implementation the following year. This would likely require considerable staff support in preparing requests. Taking into account that it appears likely that CIP funding will, once again, not reach the 9% of on-going General Fund revenue adopted as Council policy in 1999 (the Mayor recommended 6.55% for 2005-2006) to further delay critical infrastructure projects or to force traffic management projects to compete is problematic at best. After much discussion, the subcommittee came to the conclusion that encouraging the CIP process as an avenue for funding traffic management infrastructure is not a good option.

In conclusion, the City Council Traffic Management Subcommittee makes the following recommendations for Traffic Management:

1. Where warranted, as defined in the Transportation Master Plan, implement traffic calming components as part of street reconstruction projects – for example, the Guardsman Way street reconstruction project.
2. Request the Administration to encourage the Police Department to designate and commit more officers to traffic enforcement. There seems to be chronic staff vacancies in this area which should be addressed.
 - The Subcommittee also discussed whether the City could be justified in hiring additional traffic enforcement officers as revenue is available or can be identified.
3. Implement traffic calming infrastructure components as part of Special Improvement Districts (SIDs).

4. Request the Transportation Division to use a portion of the \$100,000 one-time money previously allocated for updating the Transportation Master Plan to prepare an educational brochure that will outline educational and non-infrastructural options for streets experiencing traffic volumes and speeds greater than the design parameter identified in the Transportation Master Plan.
5. Use a portion of the \$100,000 one-time money to purchase six electronic speed limit signs (approximately \$6,000 each) and to make the suggested minor updates to the Transportation Master Plan. The plan would be to move these signs, periodically, among neighborhoods experiencing chronic speeding. This would require coordination efforts from Public Services to move the signs to different locations.